TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1380 - SB 1675

March 11, 2014

SUMMARY OF ORIGINAL BILL: Authorizes the Board of Funeral Directors and Embalmers to utilize an authorized representative of the Board, either a licensed funeral director or licensed embalmer, to perform announced and unannounced inspections of a funeral establishment which is making application to the Board for initial licensure, change of ownership, or change of location. Such announced inspection shall be required prior to application approval. Creates provisions applicable to unannounced inspections. Requires that reasonable care be used to avoid disruption to guests of a funeral establishment and that the applicant reasonably cooperate with the authorized representative of the Board.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENTS (012927, 013553): Establishes a vice president position within the Board of Funeral Directors and Embalmers. The Board shall fill such position from its members. Authorizes the Board to require an application fee and a licensure fee for persons applying to the Board for reciprocity.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- According to the Department of Commerce and Insurance, the provisions listed will, in large part, codify existing practice.
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over a two-year period. The Board of Funeral Directors and Embalmers had a closing balance of \$484,954 in FY11-12, a deficit of \$98,294 in FY12-13, and a closing reserve balance of \$713,380 on June 30, 2013.

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumption for the bill as amended:

• Any additional infractions of licensees resulting in fines or penalties will not result in a significant increase in business expenses for businesses within this state.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Lucian D. Geise, Executive Director

/jdb